

Public assistance standards as the cornerstone of “low welfare and low-wage” policy

YASUI Yoshiyuki

Public assistance is a final system in social security that guarantees a minimum level of healthy and cultural life. Therefore, it is not a system that can function on its own in isolation from other aspects of a social protection system. The establishment of policies for minimum wage and employment security, which are necessary for the maintenance of livelihoods in a society that holds that one who has worked is worthy of being considered a human being, are fundamental prerequisites for public assistance system. Further, public works to facilitate living conditions, such as the construction of educational, cultural, and health and medical services, as well as housing and other facilities necessary for a living environment, are also indispensable conditions for such system to function.

In addition, we must not forget that public assistance system has developed on the foundation of the right to engage in labor disputes. That right is an essential condition in determining the content and the level of social security.

However, in our country, even after World War Two, the basic rights of laborers for civil servants were limited and proper policies for the minimum wage and employment security have yet to be established. For that reason, in our social security system, the content and level of the social insurance programs are faulty, and large specific gravity is applied to public assistance. The gravest problem lies in the fact that the livelihood assistance standard has been incorporated within the mechanism for wage control, and playing the role of substitute for minimum wage that should be its prerequisite. That is, the livelihood assistance standard serves as a standard for the minimum wage, and is also linked to the level of

raise in the salaries of employees of the national government made on the recommendation of the National Personnel Authority (NPA), which in turn serves to suppress the level of raise in wages for laborers in the private sector. Further, livelihood assistance standard is intimately related to many different aspects of the living conditions, such as basic pension, social allowance and expenditure for social welfare facilities, and scholarship amounts, standard for determining lowest level of taxable income. This system is a “low welfare and low wages” policy as the cornerstone of livelihood assistance standards. This is the reason that the livelihood assistance standard has been considered to represent the “national minimum” in Japan.

Since 1995, the substance of “low welfare and low wages” policy has become apparent. The long-term freezing and lowering of livelihood assistance standard has been linked to the suppression of levels of wages of laborers, and amounts of local minimum wages that are less than the livelihood assistance standard are being decided across the country. As a result, wages for laborers as a whole have been held low, and more than 60% of laborers are earning less than the average wages. Further, the lowering of the amounts of payments for basic pensions and social allowances is coming to the fore in the increase in the number of poor and low-wages earners who are forced to rely on livelihood subsidies, as well as other people receiving such subsidies.

We must not overlook the fact that the drastic cut in the livelihood assistance standard and the reform of Public Assistance Act are as part of the reorganization and strengthening of “low welfare and low wages” policy of improving international competitiveness in the face of globalization. At the same time, the forceful implementation of these policies that are far removed from the realities of the lives of laborers and residents are creating the expansion of an objective, common foundation for movements united by the demand to protect livelihood and lives themselves. The request for examination of a disposition concerning a decision to reduce the amounts of livelihood assistance by over ten

thousand subsidy recipients, which is unprecedented, is one expression of this. However, there are limits to activities directed at a particular program, such as the one for livelihood subsidies, especially since today there are severe divisions and antagonism over receiving livelihood subsidies between laborers, residents, and subsidy recipients themselves.

We are again faced with the question of how we should engage in a movement that is unified by the demand to raise the standard for livelihood assistance and reform the system and method for its decision based on the recovery of the fundamental rights of laborers and the establishment of proper policies for the minimum wages and employment security, which all serve as necessary prerequisites of the social security system. In order to answer that question, it is critical to begin with an analysis that examines, based on concrete facts, what role the livelihood assistance standard is playing as a centerpiece of the “low welfare and low wages” policy. The fundamental object of this paper is to attempt to do just that.